



Company Registration No. 10427291 (England and Wales)

INMAT

(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2019



INMAT

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INMAT

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

Ms S Bryan
Mr P Banks
Mr B Dearn (Chair of Audit and Finance Committee) (Resigned 31 August 2019)
Mr F Gallagher (Resigned 10 July 2019)
Mr G Althorpe
Ms C Witherden (Chair of Teaching, Learning and Outcomes)
Dr L Cullen (Resigned 31 August 2019)
Miss G Crute (Chief Executive)
Mrs L Brooks (Chair of the Trust Board)

Members

Mr G Althorpe
Ms B Haywood
Ms C D Linn
Mr M Thompson

Senior management team

- Chief Executive Officer Miss G Crute
- Chief Operations Officer Miss D Chapman
- Financial Controller Mrs J Evans

Company registration number

10427291 (England and Wales)

Registered office

Swan Court
Lamport
Northamptonshire
NN6 9ER

Academies operated

Hall Meadow Primary School
Kettering Park Junior Academy
Kettering Park Infant School
Wollaston Community Primary School
Falconers Hill Infant School
Ashby Fields Primary School
St James Infant School
Little Harrowden Primary School
Kingsley Primary School
The Abbey Primary School
Standens Barn Primary School

Location

Kettering
Kettering
Kettering
Wollaston
Daventry
Daventry
Daventry
Wellingborough
Northampton
Northampton
Northampton

Head Teachers

Simon Blight
Ann Walker
Sue Lane
Zoe Richards
Coleen Wilkins
Jacqui Johnson
Gail Gynn
Jacinta Foo
Sue Lane
Renuka Popat
Simon Blight

Independent auditor

Ellacotts LLP
Vantage House
2700 Kettering Parkway
Kettering Venture Park
Kettering
Northamptonshire
NN15 6XR



INMAT

REFERENCE AND ADMINISTRATIVE DETAILS

Solicitors

Tollers
Moorgate House
201 Silbury Boulevard
Milton Keynes
Buckinghamshire
MK9 1JL



INMAT

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2019

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2018 to 31 August 2019. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The Trust operates 11 primary schools – Hall Meadow Primary School, Kettering Park Junior School, Kettering Park Infant School, Wollaston Community Primary School, Ashby Fields Primary School, Falconers Hill Infant School, St James Infant School, Little Harrowden Primary School, The Abbey Primary School, Kingsley Primary School and Standens Barn Primary School. The Trust operates for pupils aged 4 to 11 serving a catchment area in Northamptonshire. The trust has combined pupil capacity of 3,415 and has a roll of 3,279 in the school census in October 2018.

Structure, governance and management

Constitution

The Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Trust.

The charitable company is known as InMAT.

The Trustees of InMAT are also the directors of the charitable company for the purposes of company law. Details of the Trustees who served during the year, and to the date these financial statements are approved, are included in the Reference and Administrative Details on page 1.

Members' liability

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before they ceased to be a member.

Trustees' indemnities

The Trustees benefit from indemnity insurance to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the trust. The cost of this is included within insurance costs.

Method of recruitment and appointment or election of Trustees

Subject to Articles 48-49 and 53 the Academy Trust shall have the following Trustees:

- the members may appoint by ordinary resolution up to five Trustees;
- the total number of Trustees shall not be less than three;
- a minimum of 2 Parent Trustees elected or appointed under Articles 53-56;
- may have a co opted Trustee appointed under Article 58;
- the trustees will appoint the Chief Executive Officer under article 107;

The term of office for any Trustee shall be four years save that this time limit shall not apply to any post which is held ex officio subject to remaining eligible to be a particular type of Trustee and Trustees may be reappointed or re-elected at a General Meeting or an Annual General Meeting

The members ratify the appointment of Trustees on the basis of ensuring that the Board of Trustees has an appropriate mix of skills and experience to discharge its obligations.

Policies and procedures adopted for the induction and training of Trustees

The training and induction provided for new Trustees will depend upon their existing skill and experience and is tailored specifically. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other necessary documents that they will need to undertake their role as Trustees.



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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

Organisational structure

The Trust, as a Multi-Academy Trust has 4 tiers of Governance and Management namely Members, Trustees, Local Academy Committees and Senior Leaders of each School.

Members and Trustees have responsibilities across the Trust whereas the Local Academy committees of each school have responsibility to their own schools within the Trust. Each Headteacher and senior leadership team has a responsibility to its own school. Miss Gaynor Crute is the Chief Executive and Accounting Officer for the Trust and has the delegated responsibility for the line management of all the head teachers across the trust.

Members

The members meet annually, and their roles are to:

- Act as custodians of the visions and values of the Trust; and fulfil the duties of the charitable trustees in terms of compliance
- Receive the annual report and accounts
- Appoint Trustees
- Ensure that the board is fulfilling its responsibilities

Trustees

The key roles of the trustees are to:

- Account to Members for the performance of the Trust;
- Hold Local Academy committees to account for the performance of the schools in each InMAT cluster;
- Hold the Chief Executive Officer to account for the overall performance of the trust.
- Hold the Financial Controller to account for the financial performance of the Trust and the effective use of resources;
- Hold the Director of School Improvement to account for the effectiveness of School improvement strategies, the overall performance of schools, and the attainment and progress of children across the Trust;
- Be responsible for the operation of the Trust and its strategic development
- Oversee the Trust's strategic risk register and ensure that key risks are addressed and mitigated
- Ensure the Trust complies with its statutory responsibilities

Chief Executive

The Chief Executive is the accounting officer who is responsible for the outcomes of the Trust whilst having an overview of the national system of education, the internal organisation, management and control of the schools (including the implementation of all policies approved by the Trustees), quality of governance, and the direction of the teaching and curriculum in every school. The Chief Executive enables each leadership team to focus on teaching, learning and pupil progress in their school, while working collaboratively with an experienced system leader.



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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

Specific responsibilities are to:

- Fulfil the role of Accounting Officer for the Trust;
- Provide strong and effective leadership, vision and strategic direction.
- Ensure that education and, in particular, the transformation of performance is delivered successfully.
- Ensure that appropriate performance management and wider administrative and governance arrangements are in place to ensure the effective implementation of the organisation's Corporate and Business Plans.
- Take personal responsibility for propriety and regularity in the management of public funds and in the day-to-day operations of the organisation.
- Manage the strategic operations and the delivery of key objectives, with accountability to the Board.
- Provide direction and management oversight to all InMat operations, including overall line accountability for safeguards and security.
- Take responsibility for the safety, health and environmental performance of all academies and offices under the direction of InMat.
- Work effectively across the full range of external stakeholders, including government, funding and regulatory bodies.

Arrangements for setting pay and remuneration of key management personnel

Each school local academy committee has a finance and resources committee and operates within the scheme of delegation as set out by the Trust. The Trust Board is the pay committee for Trust central team including the Chief Executive.

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period

Full-time equivalent employee number -

Percentage of time spent on facility time

| Percentage of time | Number of employees |
|--------------------|---------------------|
| 0% | - |
| 1%-50% | - |
| 51%-99% | - |
| 100% | - |

Percentage of pay bill spent on facility time

Total cost of facility time -

Total pay bill -

Percentage of the total pay bill spent on facility time -

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours -



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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

Related parties and other connected charities and organisations

The Trust collates all relevant connections and related party interests in the period. No declarations of, or related party interest disclosures, have been made in the period by Trustees or staff. The Trust has no subsidiary companies.

Inspire Teaching School Alliance is a related party due to having several common Trustees, however from September 2019 Inspire Teaching School ceased trading due to DfE changes to regulation in teaching school alliances.

Objectives and activities

Objects and aims

The principal objects of the Academy Trust, as set out in its Articles of Association, are to:

- advance for the public benefit, education in the United Kingdom in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on managing and developing schools offering a broad and balanced curriculum.

Our principal objects and aims, values and vision are to:

- provide exceptional opportunities for learning for a family of primary academies across the county;
- achieve the highest academic standards;
- enjoy a rich, rewarding and challenging curriculum which focuses on the children as individuals;
- promote values that last a lifetime; developing a sense of ambition and self-esteem in every individual;
- improve the outcomes and life changes for all of the children in its schools;
- all schools to become outstanding centres of learning.

Values

InMAT has a solid foundation, defined by high quality teaching experiences and shared values of learning, leadership, enjoyment, inclusion, inspiration, responsibility and integrity.

These values are at the very core of the Trust, are embedded in all of our schools and shared by our leaders, teachers, staff, parents and children alike.

Strong family values and genuine collaboration are key components of the InMAT vision. We believe that InMAT is a family; connected by a common desire to learn from each other, share experiences and be mutually supportive across the Trust community. Every school and every individual are included in this vision; we actively encourage collaboration – and work as a team to create and deliver the best possible educational experiences for every pupil within the Trust.

Vision

To enable great leaders to create great schools where children always come first.

Objectives, strategies and activities

We aim to provide an excellent education to all of the children in all of our schools. InMAT is responsible for employing all staff and managing the finances and other central services for the schools in the Trust. These services include school effectiveness, HR, payroll and health and safety support. Each of our schools maintains its own unique identity but we believe that by working together, we can achieve more than by each school working alone.



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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

Our schools seek to serve their local communities, they are inclusive. We believe in the infinite worth of each person: children deserve the very best education and staff deserve support to deliver this. In order to achieve this, the main activities of the Academy Trust for the period ended 31 August 2019 were as follows:

- Working towards every school being rated as at least good or better by OFSTED;
- Seeking to make improvements in the schools working environments;
- Providing exceptional educational experiences by using 11 before 11;
- To provide value for money for the funds expended;
- To comply with all appropriate statutory and curriculum requirements;
- To ensure that children develop a sense of community through the school;
- Recruit, develop and maintain high quality staff who embody our values;
- Ensure that every child benefits from the highest standard of teaching;
- Supporting the performance of each Trust School;
- Using innovative ideas, blended with tried and trusted techniques for school growth, development and improvement.

All pupils are encouraged to:

- Develop into happy and confident individuals with a secure foundation in learning that will last throughout their lives.
- Develop lively and enquiring minds through knowledge with understanding.
- Establish a command of the subjects contained in the National Curriculum.
- Value and understand religious and moral beliefs, develop a respect for the views of others and an understanding of British values.
- Understand something of the world in which we live with regard for our mutual dependence on others as individuals, groups and nations.
- Appreciate human achievements and aspirations.

Public benefit

The Trustees have complied with their duty to have due regard to the guidance on public benefit issued by the Charity Commission in exercising their powers and duties.



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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

Strategic report

Key performance indicators

In order to ensure there is a quantifiable measure to determine whether the schools within the Trusts are meeting the operational and strategic goals, the following KPI's have initially been applied to financial reporting and business monitoring.

Key Stage 1 - Pupils Achieving

| | National | Hall Meadow | Wollaston | Park Inf | Ashby Fields | Falconers Hill | St James | Little Harrowden | The Abbey | Kingsley | Standens Barn |
|---------------------------------------|----------|-------------|-----------|----------|--------------|----------------|----------|------------------|-----------|----------|---------------|
| % working at Age related expectations | | | | | | | | | | | |
| Reading | 75% | 76% | 72% | 70% | 73% | 81% | 74% | 81% | 67% | 71% | 71% |
| Writing | 70% | 79% | 61% | 54% | 67% | 67% | 65% | 74% | 60% | 75% | 69% |
| Maths | 76% | 83% | 70% | 75% | 77% | 79% | 73% | 84% | 69% | 71% | 69% |

Key Stage 2 - Pupils Achieving

| | National | Hall Meadow | Wollaston | Park Jnr | Ashby Fields | Little Harrowden | The Abbey | Kingsley | Standens Barn |
|---------------------------------------|----------|-------------|-----------|----------|--------------|------------------|-----------|----------|---------------|
| % working at Age related expectations | | | | | | | | | |
| Reading | 73% | 80% | 56% | 60% | 70% | 43% | 60% | 75% | 67% |
| Writing | 78% | 80% | 65% | 67% | 75% | 57% | 74% | 77% | 72% |
| Maths | 79% | 77% | 67% | 56% | 65% | 67% | 61% | 84% | 73% |

Going concern

After making appropriate enquiries, the board of Trustees has a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason the board of Trustees adopts the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies.

Financial review

The majority of the Academy Trust's income is received from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the year ended 31 August 2019 and the associated expenditure of these grants are shown as Restricted Funds in the Statement of Financial Activities.

The Academy Trust also receives grants for fixed assets from the ESFA and other organisations and funders and these are shown as Restricted Fixed Asset Funds in the Statement of Financial Activities. The balance of the Restricted Fixed Asset fund is reduced by the depreciation charges on the assets acquired using these funds.

During the year ended 31 August 2019, the total expenditure (excluding depreciation charges and FRS102 pension cost adjustments) of £12,481,659 was covered by the recurrent grant funding from the ESFA, together with other incoming resources.

The net book value of fixed assets at 31 August 2019 is £24,738,345. The fixed assets held by the Academy Trust are used exclusively for providing education and associated support services to the pupils of the Academy Trust.

The balance of total funds held at 31 August 2019 were £20,670,097 which comprised of the following:

| | |
|-----------------------------------|--------------|
| Restricted General Funds | £279,547 |
| Restricted Pension Liability Fund | (£5,913,000) |
| Restricted Fixed Asset Fund | £25,049,543 |
| Unrestricted Funds | £1,254,007 |



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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

Reserves policy

The Trustees will review the reserve levels of the Academy Trust annually. This review encompasses the nature of the income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees also take into consideration the future plans of the Academy Trust, the uncertainty over future income streams and other key risks identified during the risk review.

The Trustees have determined that the appropriate level of free cash reserves should ensure that 1 month's worth of salaries and general expenditure should be maintained.

The Academy Trust's current level of reserves is £20,670,097 of which £1,254,007 is free reserves (that is, total funds less the amount held in fixed assets and restricted funds).

Central Services is currently showing a £37,474 deficit. The central deficit in year is due to a planned use of reserves in connection to a ring fenced income stream received in 17/18.

Investment policy

In line with the Companies Act 2006 guidance the Trust has an investment policy that outlines the investment strategy and cash balances held and clarifies the reasons behind the choices made. The Trust investment policy is based upon holding surplus funds as cash at bank for risk management and operational reasons.

The Trust held no managed investments during the year to 31 August 2019.

Principal risks and uncertainties

The trust maintains a risk register that identifies the major risks to which it is exposed, such risks include:

- Strategic and Reputation risk
- Financial risks
- Compliance risks
- Operational risks
- Safeguarding
- Risks specific to academy conversion

The Board of Directors is responsible for risk management and for maintaining a sound system of internal control that supports the achievement of policies, aims and objectives, whilst safeguarding public funds and other funds and assets for which it is responsible. The Board of Trustees review the risk management across the trust and are advised by InMAT's central team to enable them to discharge this duty.

Financial and risk management objectives and policies

The trust has an effective system of internal controls as outlined in the Governance statement.

Policy and procedures will be reviewed annually.

Fundraising

The Trust does not operate a regulated fundraising scheme and does not use the services of a professional fundraiser. However the Trust does work with its Parent and Teacher Associations who carry out excellent work to raise funds for their schools. The Trust also supports its stakeholders in raising money for local, national and international charities throughout the year. This includes cake sales, non-school uniform days.

Plans for future periods

InMAT is in a period of consolidation and will continue to develop the MAT into one which welcomes schools who share our vision for the education of children. This will ensure our family of schools can have the widest impact in the provision of excellence for all children.



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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

Employee consultation and disabled employees

The Academy trust has implemented a number of detailed policies in relation to all aspects of personnel matter including:

Disciplinary Policy, Grievance Policy, Management of Absence Policy, Staff Appraisal and Capability Policy, code of conduct, dealing with abuse of staff and volunteers, Safer Recruitment, public sector equality duty statement, GDPR, complaints Policy and whistleblowing.

Employees are consulted by means of regular staff meeting and are kept informed on specific matters directly by management.

Auditor

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

A resolution proposing that Ellacotts LLP be reappointed as auditor of the charitable company will be put to the members.

The Trustees' report, incorporating a strategic report, was approved by order of the board of Trustees, as the company directors, on 18/12/19 and signed on its behalf by:

Mrs L Brooks

Chair of the Trust Board



INMAT

GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 AUGUST 2019

Scope of responsibility

As Trustees we acknowledge we have overall responsibility for ensuring that InMAT has an effective and appropriate system of control, financial and otherwise. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

The board of Trustees has delegated the day-to-day responsibility to the chief executive officer, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between InMAT and the Secretary of State for Education. The chief executive officer is also responsible for reporting to the board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of Trustees has formally met five times during the year. Attendance during the year at meetings of the board of Trustees was as follows:

| Trustees | Meetings attended | Out of possible |
|---|-------------------|-----------------|
| Ms S Bryan | 5 | 5 |
| Mr P Banks | 4 | 5 |
| Mr B Dearn (Chair of Audit and Finance Committee) (Resigned 31 August 2019) | 3 | 5 |
| Mr F Gallagher (Resigned 10 July 2019) | 0 | 4 |
| Mr G Althorpe | 4 | 5 |
| Ms C Witherden (Chair of Teaching, Learning and Outcomes) | 4 | 5 |
| Dr L Cullen (Resigned 31 August 2019) | 2 | 5 |
| Miss G Crute (Chief Executive) | 5 | 5 |
| Mrs L Brooks (Chair of the Trust Board) | 5 | 5 |

Mr F Gallagher resigned from the board and Mrs L Brooks was appointed as chair, two further trustees have resigned these been replaced effective October 2019.

The board of trustees set the strategic direction of the trust reviewed regularly performance against objectives agreed and has taken a strategic lead in developing an increased central team.

The Board is confident the trusts financial position is sustainable for positive future growth. The Board has developed a more robust approach in holding all leaders to account.

Review of value for money

As accounting officer the chief executive officer has responsibility for ensuring that the Trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The accounting officer considers how the Trust's use of its resources has provided good value for money during each academic year, and reports to the board of Trustees where value for money can be improved, including the use of benchmarking data where available.



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GOVERNANCE STATEMENT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable, and not absolute, assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Inmat for the period 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The board of Trustees has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Trust's significant risks that has been in place for the period 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of Trustees.

The risk and control framework

The Trust's system of internal financial control is based on a framework of regular management information and administrative procedures, including the segregation of duties and a system of delegation and accountability. In particular it includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of Trustees;
- regular reviews by the finance and general purposes committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However the Trustees have appointed:

- Ellacotts LLP, the external auditor, to carry out a programme of internal checks.

The external consultants role includes giving advice on financial matters and performing a range of checks on the Trust's financial systems. In particular the checks carried out in the current period included:

- Testing of purchases procedures
- Review of governing documentation and previous syfs documentation
- Discuss current budgets and staffing levels, reviewing HR records and comparing to budget

The financial Controller reports to the board of Trustees through the finance and audit committee on the operation of the systems of control and on the discharge of the financial responsibilities of the board of Trustees.

Review of effectiveness

As accounting officer the chief executive officer has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by the work of the external consultant.



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GOVERNANCE STATEMENT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the finance and audit committee.

Approved by order of the board of Trustees on 18/12/19 and signed on its behalf by:

Handwritten signature of Miss G Crute in black ink.

Miss G Crute
Chief Executive

Handwritten signature of Mrs L Brooks in black ink.

Mrs L Brooks
Chair of the Trust Board



INMAT

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE FOR THE YEAR ENDED 31 AUGUST 2019

As accounting officer of InMAT I have considered my responsibility to notify the Trust board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2018.

I confirm that I and the Trust's board of Trustees are able to identify any material irregular or improper use of funds by the Trust, or material non-compliance with the terms and conditions of funding under the Trust's funding agreement and the Academies Financial Handbook 2018.

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date. If any instances are identified after the date of this statement, these will be notified to the board of Trustees and ESFA.

Miss G Crute
Accounting Officer


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INMAT

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 AUGUST 2019

The trustees (who are also the directors of InMAT for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with the Academies Accounts Direction 2018 to 2019 published by the Education & Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring that grants received from ESFA/DfE have been applied for the purposes intended.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the board of Trustees on 18/12/19 and signed on its behalf by:

Mrs L Brooks

Chair of the Trust Board

**Opinion**

We have audited the financial statements of InMAT for the year ended 31 August 2019 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2019 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Trustees are responsible for the other information, which comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report including the incorporated strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' report including the incorporated strategic report have been prepared in accordance with applicable legal requirements.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INMAT (CONTINUED)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report, including the incorporated strategic report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Ellacotts LLP

Charlotte Toemaes BSc ACA (Senior Statutory Auditor)

for and on behalf of Ellacotts LLP

Chartered Accountants

Statutory Auditor

Vantage House

2700 Kettering Parkway

Kettering Venture Park

Kettering

NN15 6XR

Date: *20/12/19*



INMAT

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO INMAT AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 15 June 2017 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by InMAT during the period 1 September 2018 to 31 August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to InMAT and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the InMAT and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than InMAT and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of InMAT's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of InMAT's funding agreement with the Secretary of State for Education dated 7 March 2017 and the Academies Financial Handbook, extant from 1 September 2018, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance, and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2018 to 2019. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2018 to 31 August 2019 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2018 to 2019 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity.

A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion.

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the Trust's income and expenditure.



INMAT

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO INMAT AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2018 to 31 August 2019 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Ellacotts LLP

Reporting Accountant

Ellacotts LLP
Vantage House
2700 Kettering Parkway
Kettering Venture Park
Kettering
Northamptonshire
NN15 6XR

Dated: *20/12/19*.....



INMAT

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2019

| | Notes | Unrestricted Funds £ | Restricted funds: General Fixed asset £ £ | | Total 2019 £ | Total 2018 £ |
|---|-------|----------------------------|---|-------------------|--------------------|--------------------|
| Income and endowments from: | | | | | | |
| Donations and capital grants | 3 | - | - | 836,202 | 836,202 | 581,014 |
| Donations - Inherited on conversion | 24 | 596,981 | (1,464,000) | 12,492,272 | 11,625,253 | 6,172,987 |
| Charitable activities: | | | | | | |
| - Funding for educational operations | 4 | - | 12,140,801 | - | 12,140,801 | 6,697,410 |
| Other trading activities | 5 | 65,189 | 620,405 | - | 685,594 | 592,835 |
| Investments | 6 | 1,165 | - | - | 1,165 | 1,626 |
| Total | | <u>663,335</u> | <u>11,297,206</u> | <u>13,328,474</u> | <u>25,289,015</u> | <u>14,045,872</u> |
| Expenditure on: | | | | | | |
| Charitable activities: | | | | | | |
| - Educational operations | 8 | - | 12,943,659 | 841,769 | 13,785,428 | 8,018,735 |
| Total | 7 | <u>-</u> | <u>12,943,659</u> | <u>841,769</u> | <u>13,785,428</u> | <u>8,018,735</u> |
| Net income/(expenditure) | | 663,335 | (1,646,453) | 12,486,705 | 11,503,587 | 6,027,137 |
| Other recognised gains/(losses) | | | | | | |
| Actuarial losses on defined benefit pension schemes | 19 | - | (1,481,000) | - | (1,481,000) | (44,000) |
| Net movement in funds | | 663,335 | (3,127,453) | 12,486,705 | 10,022,587 | 5,983,137 |
| Reconciliation of funds | | | | | | |
| Total funds brought forward | | 590,672 | (2,506,000) | 12,562,838 | 10,647,510 | 4,664,373 |
| Total funds carried forward | | <u>1,254,007</u> | <u>(5,633,453)</u> | <u>25,049,543</u> | <u>20,670,097</u> | <u>10,647,510</u> |



INMAT

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2019

| Comparative year information Year ended 31 August 2018 | Notes | Unrestricted | Restricted funds: | | Total |
|---|-------|----------------|--------------------|-------------------|-------------------|
| | | Funds | General | Fixed asset | 2018 |
| | | £ | £ | £ | £ |
| Income and endowments from: | | | | | |
| Donations and capital grants | 3 | - | - | 581,014 | 581,014 |
| Donations - Inherited on conversion | 24 | 405,934 | (591,000) | 6,358,053 | 6,172,987 |
| Charitable activities: | | | | | |
| - Funding for educational operations | 4 | - | 6,697,410 | - | 6,697,410 |
| Other trading activities | 5 | 131,333 | 461,502 | - | 592,835 |
| Investments | 6 | 1,626 | - | - | 1,626 |
| Total | | <u>538,893</u> | <u>6,567,912</u> | <u>6,939,067</u> | <u>14,045,872</u> |
| Expenditure on: | | | | | |
| Charitable activities: | | | | | |
| - Educational operations | 8 | - | 7,633,520 | 385,215 | 8,018,735 |
| Total | 7 | <u>-</u> | <u>7,633,520</u> | <u>385,215</u> | <u>8,018,735</u> |
| Net income/(expenditure) | | 538,893 | (1,065,608) | 6,553,852 | 6,027,137 |
| Transfers between funds | 17 | (237,906) | 237,906 | - | - |
| Other recognised gains/(losses) | | | | | |
| Actuarial losses on defined benefit pension schemes | 19 | - | (44,000) | - | (44,000) |
| Net movement in funds | | <u>300,987</u> | <u>(871,702)</u> | <u>6,553,852</u> | <u>5,983,137</u> |
| Reconciliation of funds | | | | | |
| Total funds brought forward | | <u>289,685</u> | <u>(1,634,298)</u> | <u>6,008,986</u> | <u>4,664,373</u> |
| Total funds carried forward | | <u>590,672</u> | <u>(2,506,000)</u> | <u>12,562,838</u> | <u>10,647,510</u> |



INMAT

BALANCE SHEET AS AT 31 AUGUST 2019

| | Notes | 2019 | | 2018 | |
|---|-------|------------------|-------------------|------------------|-------------------|
| | | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Tangible assets | 12 | | 24,738,345 | | 12,041,031 |
| Current assets | | | | | |
| Debtors | 13 | 713,278 | | 203,634 | |
| Cash at bank and in hand | | 2,629,373 | | 1,552,530 | |
| | | <u>3,342,651</u> | | <u>1,756,164</u> | |
| Current liabilities | | | | | |
| Creditors: amounts falling due within one year | 14 | (1,435,301) | | (563,073) | |
| Net current assets | | | <u>1,907,350</u> | | <u>1,193,091</u> |
| Total assets less current liabilities | | | <u>26,645,695</u> | | <u>13,234,122</u> |
| Creditors: amounts falling due after more than one year | 15 | | (62,598) | | (80,612) |
| Net assets before defined benefit pension scheme liability | | | <u>26,583,097</u> | | <u>13,153,510</u> |
| Defined benefit pension scheme liability | 19 | | (5,913,000) | | (2,506,000) |
| Total net assets | | | <u>20,670,097</u> | | <u>10,647,510</u> |
| Funds of the Trust: | | | | | |
| Restricted funds | 17 | | | | |
| - Fixed asset funds | | | 25,049,543 | | 12,562,838 |
| - Restricted income funds | | | 279,547 | | - |
| - Pension reserve | | | (5,913,000) | | (2,506,000) |
| Total restricted funds | | | <u>19,416,090</u> | | <u>10,056,838</u> |
| Unrestricted income funds | 17 | | <u>1,254,007</u> | | <u>590,672</u> |
| Total funds | | | <u>20,670,097</u> | | <u>10,647,510</u> |

The financial statements on pages 20 to 46 were approved by the Trustees and authorised for issue on 18/12/19 and are signed on their behalf by:

Mrs L Brooks
Chair of the Trust Board

Company Number 10427291



INMAT

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 AUGUST 2019

| | Notes | 2019 £ | £ | 2018 £ | £ |
|--|-------|-------------------------|---|-------------------------|---|
| Cash flows from operating activities | | | | | |
| Net cash provided by (used in) operating activities | 20 | 689,306 | | (800) | |
| Cash funds transferred on conversion | | 596,981 | | 405,934 | |
| | | <u>1,286,287</u> | | <u>405,134</u> | |
| Cash flows from investing activities | | | | | |
| Dividends, interest and rents from investments | | 1,165 | | 1,626 | |
| Capital grants from DfE and ESFA | | 173,975 | | 49,735 | |
| Capital funding from sponsors and others | | 662,227 | | 531,279 | |
| Payments to acquire tangible fixed assets | | (1,046,811) | | (74,920) | |
| | | <u>(209,444)</u> | | <u>507,720</u> | |
| Cash flows from financing activities | | | | | |
| Finance costs | | - | | (857) | |
| | | <u>-</u> | | <u>(857)</u> | |
| Change in cash and cash equivalents in the reporting period | | | | | |
| | | 1,076,843 | | 911,997 | |
| Cash and cash equivalents at 1 September 2018 | | 1,552,530 | | 640,533 | |
| Cash and cash equivalents at 31 August 2019 | | <u><u>2,629,373</u></u> | | <u><u>1,552,530</u></u> | |



INMAT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

1 Accounting policies

A summary of the principal accounting policies adopted, judgments and key sources of estimation uncertainty, is set out below.

1.1 Basis of preparation

The financial statements of the Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2018 to 2019 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

INMAT meets the definition of a public benefit entity under FRS 102.

1.2 Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Trust's ability to continue as a going concern. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Conversion to a trust

The conversion from state maintained schools to a trust involved the transfer of identifiable assets and liabilities and the operation of the schools for £nil consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below.

The assets and liabilities transferred on conversion from Little Harrowden Primary, The Abbey Primary, Kingsley Primary and Standens Barn Primary schools to the trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in net incoming resources/resources expended in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds. Further details of the transaction are set out in note 24.

1.4 Income

All incoming resources are recognised when the Trust has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

Grants receivable

Grants are included in the statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the statement of financial activities in the period for which it is receivable, and any abatement in respect of the period is deducted from income and recognised as a liability.



INMAT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

1 Accounting policies

(Continued)

Capital grants are recognised in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grants are reflected in the balance sheet in the restricted fixed asset fund. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

Sponsorship income

Sponsorship income provided to the Trust which amounts to a donation is recognised in the statement of financial activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

Donations

Donations are recognised on a receivable basis (where there are no performance-related conditions) where the receipt is probable and the amount can be reliably measured.

Other income

Other income, including the hire of facilities, is recognised in the period it is receivable and to the extent the Trust has provided the goods or services.

Donated goods, facilities and services

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Donated fixed assets

Donated fixed assets are measured at fair value unless it is impractical to measure this reliably, in which case the cost of the item to the donor is used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Trust's accounting policies.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Expenditure on raising funds

This includes all expenditure incurred by the Trust to raise funds for its charitable purposes and includes costs of all fundraising activities, events and non-charitable trading.

Charitable activities

These are costs incurred on the Trust's educational operations, including support costs and costs relating to the governance of the trust, apportioned to charitable activities.



INMAT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

1 Accounting policies

(Continued)

Governance costs

These include the costs attributable to the Trust's compliance with constitutional and statutory requirements, including audit, strategic management, Trustees' meetings and reimbursed expenses.

1.6 Tangible fixed assets and depreciation

Assets costing £500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding that require the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the statement of financial activities and carried forward in the balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the statement of financial activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

| | |
|--------------------------------|------------------------|
| Land and buildings | 2% - 20% straight line |
| Computer equipment | 25% straight line |
| Fixtures, fittings & equipment | 10% straight line |

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the statement of financial activities.

1.7 Liabilities

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

1.8 Leasing and hire purchase commitments

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

1.9 Financial instruments

The Trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Trust and their measurement basis are as follows.

Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

Cash at bank is classified as a basic financial instrument and is measured at face value.



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

1 Accounting policies

(Continued)

Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition.

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.10 Taxation

The Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.11 Pensions benefits

Retirement benefits to employees of the Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes and the assets are held separately from those of the Trust.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. The TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses. Actuarial gains and losses are recognised immediately in other recognised gains and losses.

1.12 Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the Trust at the discretion of the Trustees.

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by funders where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Education and Skills Funding Agency/Department for Education.



INMAT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

1 Accounting policies

(Continued)

1.13 PFI land and buildings

For The Abbey Primary School, Kingsley Primary School and Standens Barn Primary School the land and buildings are leased to the Academies by the Local Authority on a long (125 year) lease. As the Academies take on the risks and rewards associated with the land and buildings, including the long-term maintenance of the property once the PFI Contract has ended, the land and buildings are capitalised as fixed assets on the balance sheet at valuation using the depreciated replacement cost basis. These assets are then depreciated over the lesser of their useful economic life and the lease period.

2 Critical accounting estimates and areas of judgement

Accounting estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The Trust makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 19, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement

Useful lives of fixed assets - depreciation is provided so as to write down the assets to their residual values over their estimated useful lives as set out in the academy's accounting policies. Useful lives are regularly reviewed and should they shorten, then depreciation charges would increase in the financial statements and the carrying amounts of the fixed assets would reduce accordingly.

3 Donations and capital grants

| | Unrestricted funds £ | Restricted funds £ | Total 2019 £ | Total 2018 £ |
|----------------|----------------------------|--------------------------|--------------------|--------------------|
| Capital grants | - | 836,202 | 836,202 | 581,014 |



INMAT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

4 Funding for the Trust's educational operations

| | Unrestricted funds £ | Restricted funds £ | Total 2019 £ | Total 2018 £ |
|--------------------------------|----------------------------|--------------------------|--------------------|--------------------|
| DfE / ESFA grants | | | | |
| General annual grant (GAG) | - | 10,319,234 | 10,319,234 | 5,954,721 |
| Other DfE group grants | - | 1,491,488 | 1,491,488 | 626,027 |
| | - | 11,810,722 | 11,810,722 | 6,580,748 |
| Other government grants | | | | |
| Local authority grants | - | 330,079 | 330,079 | 116,662 |
| Total funding | - | 12,140,801 | 12,140,801 | 6,697,410 |

5 Other trading activities

| | Unrestricted funds £ | Restricted funds £ | Total 2019 £ | Total 2018 £ |
|---------------------------------|----------------------------|--------------------------|--------------------|--------------------|
| Hire of facilities | 28,762 | - | 28,762 | 89,101 |
| Catering income | - | 3,085 | 3,085 | 6,941 |
| Parental contributions | 36,427 | 310,549 | 346,976 | 320,415 |
| Supply teacher insurance claims | - | 306,771 | 306,771 | 176,378 |
| | 65,189 | 620,405 | 685,594 | 592,835 |

6 Investment income

| | Unrestricted funds £ | Restricted funds £ | Total 2019 £ | Total 2018 £ |
|---------------------|----------------------------|--------------------------|--------------------|--------------------|
| Short term deposits | 1,165 | - | 1,165 | 1,626 |

7 Expenditure

| | Staff costs £ | Premises & equipment £ | Other costs £ | Total 2019 £ | Total 2018 £ |
|----------------------------------|---------------------|------------------------------|---------------------|--------------------|--------------------|
| Academy's educational operations | | | | | |
| - Direct costs | 8,071,845 | - | 989,045 | 9,060,890 | 5,478,445 |
| - Allocated support costs | 2,142,011 | 1,626,127 | 956,400 | 4,724,538 | 2,540,290 |
| | 10,213,856 | 1,626,127 | 1,945,445 | 13,785,428 | 8,018,735 |



INMAT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

7 Expenditure (Continued)

| Net income/(expenditure) for the year includes: | 2019 £ | 2018 £ |
|---|-----------|-----------|
| Fees payable to auditor for: | | |
| - Audit | 21,500 | 15,250 |
| - Other services | 26,200 | 19,100 |
| Operating lease rentals | 24,537 | 17,184 |
| Depreciation of tangible fixed assets | 841,769 | 385,215 |
| Bank interest payable | - | 857 |
| Net interest on defined benefit pension liability | 98,000 | 48,000 |

Central services

The Trust has provided the following central services to its academies during the year:

- human resources support;
- financial services support;
- legal services support;
- ICT services support;
- educational support services.

The Trust charges for these services on the following basis:

- flat percentage of income (5%).

The amounts charged during the year were as follows:

| | Total £ |
|------------------------------------|----------------|
| Hall Meadow Primary School | 36,891 |
| Kettering Park Junior Academy | 66,269 |
| Kettering Park Infant School | 49,153 |
| Wollaston Community Primary School | 50,436 |
| Falconers Hill Infant School | 36,520 |
| Ashby Fields Primary School | 71,951 |
| St James Infant School | 34,692 |
| Little Harrowden Primary School | 28,039 |
| Kingsley Primary School | 40,741 |
| The Abbey Primary School | 44,180 |
| Standens Barn Primary School | 46,830 |
| | <u>505,702</u> |



INMAT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

8 Charitable activities

| | 2019 £ | 2018 £ |
|--|-------------------|------------------|
| All from restricted funds: | | |
| Direct costs - educational operations | 9,060,890 | 5,478,445 |
| Support costs - educational operations | 4,724,538 | 2,540,290 |
| | <u>13,785,428</u> | <u>8,018,735</u> |

| | 2019 £ | 2018 £ |
|----------------------------------|------------------|------------------|
| Analysis of support costs | | |
| Support staff costs | 2,142,011 | 1,254,314 |
| Depreciation and amortisation | 841,769 | 385,215 |
| Technology costs | 10,603 | 35,310 |
| Premises costs | 650,495 | 241,892 |
| Other support costs | 813,537 | 473,136 |
| Governance costs | 266,123 | 150,423 |
| | <u>4,724,538</u> | <u>2,540,290</u> |

9 Staff

Staff costs

Staff costs during the year were:

| | 2019 £ | 2018 £ |
|---|-------------------|------------------|
| Wages and salaries | 7,622,159 | 4,388,251 |
| Social security costs | 612,045 | 326,816 |
| Pension costs | 1,723,104 | 934,990 |
| Staff costs | <u>9,957,308</u> | <u>5,650,057</u> |
| Agency staff costs | 111,663 | 159,865 |
| Staff development and other staff costs | 144,885 | 166,620 |
| Total staff expenditure | <u>10,213,856</u> | <u>5,976,542</u> |



INMAT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

9 Staff

(Continued)

Staff numbers

The average number of persons employed by the Trust during the year was as follows:

| | 2019 Number | 2018 Number |
|----------------------------|----------------|----------------|
| Teachers | 131 | 85 |
| Administration and support | 293 | 202 |
| Management | 29 | 15 |
| | <u>453</u> | <u>302</u> |

Higher paid staff

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

| | 2019 Number | 2018 Number |
|--------------------|----------------|----------------|
| £60,001 - £70,000 | 3 | 4 |
| £70,001 - £80,000 | 1 | 1 |
| £90,001 - £100,000 | 1 | - |
| | <u>5</u> | <u>5</u> |

Key management personnel

The key management personnel of the Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Trust was £203,869 (2018 - £152,734).

10 Trustees' remuneration and expenses

One or more of the Trustees has been paid remuneration or has received other benefits from an employment with the Trust. The chief executive officer and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of chief executive officer and staff members under their contracts of employment, and not in respect of their services as Trustees.

The value of Trustees' remuneration and other benefits was as follows:

Miss G Crute (CEO of InMAT)

Remuneration £90,001 - £95,000 (2018 - £90,001 - £95,000)

Employers pension contributions £15,0001 - £20,000 (2018 - £10,0001 - £15,000)

During the period ended 31 August 2019, travel and subsistence expenses totalling £nil (2018 - £nil) were reimbursed or paid directly to trustees.

11 Trustees and officers insurance

In accordance with normal commercial practice, the Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The insurance provides cover up to £10,000,000 on any one claim and the cost for the year ended 31 August 2019. The cost of this insurance is included in the total insurance cost.



INMAT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

12 Tangible fixed assets

| | Land and buildings | Computer equipment | Fixtures, fittings & equipment | Total |
|------------------------|--------------------|--------------------|--------------------------------|------------|
| | £ | £ | £ | £ |
| Cost | | | | |
| At 1 September 2018 | 12,308,589 | 179,824 | 40,948 | 12,529,361 |
| Transfer on conversion | 12,492,272 | - | - | 12,492,272 |
| Additions | 211,112 | 51,543 | 784,156 | 1,046,811 |
| At 31 August 2019 | 25,011,973 | 231,367 | 825,104 | 26,068,444 |
| Depreciation | | | | |
| At 1 September 2018 | 442,439 | 42,188 | 3,703 | 488,330 |
| Charge for the year | 764,180 | 48,851 | 28,738 | 841,769 |
| At 31 August 2019 | 1,206,619 | 91,039 | 32,441 | 1,330,099 |
| Net book value | | | | |
| At 31 August 2019 | 23,805,354 | 140,328 | 792,663 | 24,738,345 |
| At 31 August 2018 | 11,866,150 | 137,636 | 37,245 | 12,041,031 |

Included within land and buildings is £6,588,000 (2018 - £3,565,000) of land that has not been depreciated.

13 Debtors

| | 2019 | 2018 |
|--------------------------------|---------|---------|
| | £ | £ |
| Trade debtors | 29,637 | 30,528 |
| VAT recoverable | 228,282 | 97,176 |
| Other debtors | 56,589 | 2,500 |
| Prepayments and accrued income | 398,770 | 73,430 |
| | 713,278 | 203,634 |

14 Creditors: amounts falling due within one year

| | 2019 | 2018 |
|------------------------------------|-----------|---------|
| | £ | £ |
| Trade creditors | 449,220 | 133,286 |
| Other taxation and social security | 174,696 | 102,635 |
| Other creditors | 39,195 | 26,695 |
| Accruals and deferred income | 772,190 | 300,457 |
| | 1,435,301 | 563,073 |



INMAT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

| 15 Creditors: amounts falling due after more than one year | 2019 £ | 2018 £ |
|--|-----------|-----------|
| Other creditors | 62,598 | 80,612 |

Included within other creditors is a loan of £11,981 from Northamptonshire County Council Salix Finance Ltd. This loan is unsecured, interest free and due to be paid back over 6 years ending in 2025.

Included within other creditors is a loan of £6,439 from Northamptonshire County Council Salix Finance Ltd. This loan is unsecured, interest free and due to be paid back over 6 years ending in 2024.

Included within other creditors is a loan of £48,729 from Northamptonshire County Council Salix Finance Ltd. This loan is unsecured, interest free and due to be paid back over 7 years ending in 2026.

Included within other creditors is a loan of £7,735 from Northamptonshire County Council Salix Finance Ltd. This loan is unsecured, interest free and due to be paid back over 5 years ending in 2023.

Included within other creditors is a loan of £28,000 inherited from a local authority predecessor school on conversion. Interest is payable at 2.1% per annum and the loan is due to be paid back in December 2019.

From the above loans, £40,286 (2018 - £24,567) is disclosed as other creditors falling due within one year.

| 16 Deferred income | 2019 £ | 2018 £ |
|--|----------------|----------------|
| Deferred income is included within: | | |
| Creditors due within one year | 484,282 | 278,238 |
| Deferred income at 1 September 2018 | 278,238 | 144,657 |
| Released from previous years | (278,238) | (144,657) |
| Resources deferred in the year | 484,282 | 278,238 |
| Deferred income at 31 August 2019 | 484,282 | 278,238 |

At the balance sheet date the trust was holding funds received in advance in respect of free school meals and CIF funding, all of which will be fully utilised in year ending 31 August 2020.



INMAT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

17 Funds

| | Balance at 1 September 2018 £ | Income £ | Expenditure £ | Gains, losses and transfers £ | Balance at 31 August 2019 £ |
|-------------------------------------|--|-------------------|---------------------|--|--------------------------------------|
| Restricted general funds | | | | | |
| General Annual Grant | - | 10,319,234 | (10,039,687) | - | 279,547 |
| Other DfE / ESFA grants | - | 1,491,488 | (1,491,488) | - | - |
| Other government grants | - | 330,079 | (330,079) | - | - |
| Other restricted funds | - | 620,405 | (620,405) | - | - |
| | <u>-</u> | <u>12,761,206</u> | <u>(12,481,659)</u> | <u>-</u> | <u>279,547</u> |
| Funds excluding pensions | - | 12,761,206 | (12,481,659) | - | 279,547 |
| Pension reserve | (2,506,000) | (1,464,000) | (462,000) | (1,481,000) | (5,913,000) |
| | <u>(2,506,000)</u> | <u>11,297,206</u> | <u>(12,943,659)</u> | <u>(1,481,000)</u> | <u>(5,633,453)</u> |
| Restricted fixed asset funds | | | | | |
| Transferred on conversion | 11,960,736 | 12,492,272 | (794,113) | - | 23,658,895 |
| DfE / ESFA capital grants | 602,102 | 836,202 | (47,656) | - | 1,390,648 |
| | <u>12,562,838</u> | <u>13,328,474</u> | <u>(841,769)</u> | <u>-</u> | <u>25,049,543</u> |
| Total restricted funds | <u>10,056,838</u> | <u>24,625,680</u> | <u>(13,785,428)</u> | <u>(1,481,000)</u> | <u>19,416,090</u> |
| Unrestricted funds | | | | | |
| General funds | 590,672 | 663,335 | - | - | 1,254,007 |
| | <u>590,672</u> | <u>663,335</u> | <u>-</u> | <u>-</u> | <u>1,254,007</u> |
| Total funds | <u>10,647,510</u> | <u>25,289,015</u> | <u>(13,785,428)</u> | <u>(1,481,000)</u> | <u>20,670,097</u> |



INMAT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

17 Funds

(Continued)

The specific purposes for which the funds are to be applied are as follows:

Restricted Funds:

The General Annual Grants Funds (GAG) is used for educational purpose in line with trust's objects and it's funding agreements. Under the funding agreement with the Secretary of State, the Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2019.

The other DfE/ESFA grants, which include pupil premium, sports funding and free school meals, are all used in accordance with restrictions of the individual grants for funding provided.

The Local Authority grants consist of high needs funding which is used to provide specialist support for the children.

The pension reserve represents the Local Government Pension Scheme deficit.

Fixed Asset Restricted Funds:

Fixed assets transferred on conversion represent the land and other assets transferred to the Trust from Northamptonshire County Council on conversion.

The other capital grants and income, which include capital grant from the DfE/ESFA and other funders, have been used to fund the capital expenditure of the Trust.



INMAT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

17 Funds

(Continued)

Movements in funds - previous year

| | Balance at 1 September 2017 £ | Income £ | Expenditure £ | Gains, losses and transfers £ | Balance at 31 August 2018 £ |
|-------------------------------------|--|-------------------|--------------------|--|--------------------------------------|
| Restricted general funds | | | | | |
| General Annual Grant | 18,632 | 5,954,721 | (6,211,259) | 237,906 | - |
| Other DfE / ESFA grants | 22,070 | 626,027 | (648,097) | - | - |
| Other government grants | - | 116,662 | (116,662) | - | - |
| Other restricted funds | - | 461,502 | (461,502) | - | - |
| | <u>40,702</u> | <u>7,158,912</u> | <u>(7,437,520)</u> | <u>237,906</u> | <u>-</u> |
| Funds excluding pensions | 40,702 | 7,158,912 | (7,437,520) | 237,906 | - |
| Pension reserve | (1,675,000) | (591,000) | (196,000) | (44,000) | (2,506,000) |
| | <u>(1,634,298)</u> | <u>6,567,912</u> | <u>(7,633,520)</u> | <u>193,906</u> | <u>(2,506,000)</u> |
| Restricted fixed asset funds | | | | | |
| Transferred on conversion | 5,981,268 | 6,358,053 | (378,585) | - | 11,960,736 |
| DfE / ESFA capital grants | 27,718 | 581,014 | (6,630) | - | 602,102 |
| | <u>6,008,986</u> | <u>6,939,067</u> | <u>(385,215)</u> | <u>-</u> | <u>12,562,838</u> |
| Total restricted funds | <u>4,374,688</u> | <u>13,506,979</u> | <u>(8,018,735)</u> | <u>193,906</u> | <u>10,056,838</u> |
| Unrestricted funds | | | | | |
| General funds | 289,685 | 538,893 | - | (237,906) | 590,672 |
| | <u>289,685</u> | <u>538,893</u> | <u>-</u> | <u>(237,906)</u> | <u>590,672</u> |
| Total funds | <u>4,664,373</u> | <u>14,045,872</u> | <u>(8,018,735)</u> | <u>(44,000)</u> | <u>10,647,510</u> |



INMAT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

17 Funds

(Continued)

Total funds analysis by academy

| | Total £ |
|--|--------------------|
| Fund balances at 31 August 2019 were allocated as follows: | |
| Hall Meadow Primary School | 44,711 |
| Kettering Park Junior Academy | 194,041 |
| Kettering Park Infant School | 26,130 |
| Wollaston Community Primary School | 116,725 |
| Falconers Hill Infant School | 105,325 |
| Ashby Fields Primary School | 206,099 |
| St James Infant School | 210,759 |
| Little Harrowden Primary School | 171,611 |
| Kingsley Primary School | 28,018 |
| The Abbey Primary School | 258,262 |
| Standens Barn Primary School | 209,347 |
| Central services | (37,474) |
| | <hr/> |
| Total before fixed assets fund and pension reserve | 1,533,554 |
| | |
| Restricted fixed asset fund | 25,049,543 |
| Pension reserve | (5,913,000) |
| | <hr/> |
| Total funds | 20,670,097 |
| | <hr/> <hr/> |

The central deficit in year is due to a planned use of reserves in connection to a ring fenced income stream received in 17/18.



INMAT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

17 Funds

(Continued)

Total cost analysis by academy

Expenditure incurred by each academy during the year was as follows:

| | Teaching and educational support staff costs £ | Other support staff costs £ | Educational supplies £ | Other costs excluding depreciation £ | Total £ |
|---------------------------------------|--|--------------------------------------|------------------------------|---|-------------------|
| Hall Meadow Primary School | 561,609 | 93,841 | 20,714 | 164,813 | 840,977 |
| Kettering Park Junior Academy | 998,545 | 268,344 | 47,605 | 198,734 | 1,513,228 |
| Kettering Park Infant School | 765,314 | 198,286 | 40,248 | 229,893 | 1,233,741 |
| Wollaston Community Primary School | 878,502 | 197,811 | 35,771 | 208,338 | 1,320,422 |
| Falconers Hill Infant School | 618,113 | 137,599 | 34,102 | 160,462 | 950,276 |
| Ashby Fields Primary School | 1,097,078 | 262,538 | 79,695 | 305,019 | 1,744,330 |
| St James Infant School | 514,169 | 145,584 | 42,459 | 186,547 | 888,759 |
| Little Harrowden Primary School | 367,294 | 77,125 | 18,388 | 174,920 | 637,727 |
| Kingsley Primary School | 746,540 | 103,680 | 23,293 | 224,058 | 1,097,571 |
| The Abbey Primary School | 624,132 | 97,023 | 36,749 | 214,474 | 972,378 |
| Standens Barn Primary School | 706,976 | 92,347 | 22,798 | 224,630 | 1,046,751 |
| Central services | 118,859 | 178,546 | 234,308 | (296,214) | 235,499 |
| | <u>7,997,131</u> | <u>1,852,724</u> | <u>636,130</u> | <u>1,995,674</u> | <u>12,481,659</u> |

Funds analysis by academy - previous year

| | Total 2018 £ |
|--|--------------------|
| Fund balances at 31 August 2018 were allocated as follows: | |
| Hall Meadow Primary School | (18,035) |
| Kettering Park Junior Academy | 136,156 |
| Kettering Park Infant School | 23,198 |
| Wollaston Community Primary School | 62,745 |
| Falconers Hill Infant School | 131,492 |
| Ashby Fields Primary School | 131,750 |
| St James Infant School | 87,021 |
| Central services | 36,345 |
| Total before fixed assets fund and pension reserve | 590,672 |
| Restricted fixed asset fund | 12,562,838 |
| Pension reserve | (2,506,000) |
| Total funds | <u>10,647,510</u> |



INMAT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

17 Funds

(Continued)

Total cost analysis by academy - previous year

Expenditure incurred by each academy during the previous year was as follows:

| | Teaching and educational support staff costs £ | Other support staff costs £ | Educational supplies £ | Other costs excluding depreciation £ | Total 2018 £ |
|---------------------------------------|--|--------------------------------------|------------------------------|---|--------------------|
| Hall Meadow Primary School | 570,203 | 135,391 | 48,101 | 178,402 | 932,097 |
| Kettering Park Junior Academy | 961,912 | 203,672 | 108,564 | 212,406 | 1,486,554 |
| Kettering Park Infant School | 540,212 | 386,407 | 81,324 | 189,676 | 1,197,619 |
| Wollaston Community Primary School | 914,967 | 174,404 | 45,603 | 210,452 | 1,345,426 |
| Falconers Hill Infant School | 360,401 | 57,482 | 6,865 | 75,752 | 500,500 |
| Ashby Fields Primary School | 554,729 | 179,581 | 39,687 | 203,465 | 977,462 |
| St James Infant School | 292,529 | 133,465 | 27,421 | 110,165 | 563,580 |
| Central services | 117,118 | 65,985 | 43,130 | 208,049 | 434,282 |
| | <u>4,312,071</u> | <u>1,336,387</u> | <u>400,695</u> | <u>1,388,367</u> | <u>7,437,520</u> |

18 Analysis of net assets between funds

| | Unrestricted Funds £ | Restricted funds: General £ | Fixed asset £ | Total Funds £ |
|--|----------------------------|-----------------------------------|-------------------|---------------------|
| Fund balances at 31 August 2019 are represented by: | | | | |
| Tangible fixed assets | - | - | 24,738,345 | 24,738,345 |
| Current assets | 1,254,007 | 1,777,446 | 311,198 | 3,342,651 |
| Creditors falling due within one year | - | (1,435,301) | - | (1,435,301) |
| Creditors falling due after one year | - | (62,598) | - | (62,598) |
| Defined benefit pension liability | - | (5,913,000) | - | (5,913,000) |
| Total net assets | <u>1,254,007</u> | <u>(5,633,453)</u> | <u>25,049,543</u> | <u>20,670,097</u> |



INMAT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

18 Analysis of net assets between funds

(Continued)

| | Unrestricted Funds £ | Restricted funds: General Fixed asset £ £ | | Total Funds £ |
|--|----------------------------|---|-------------------|---------------------|
| Fund balances at 31 August 2018 are represented by: | | | | |
| Tangible fixed assets | - | - | 12,041,031 | 12,041,031 |
| Current assets | 1,234,357 | - | 521,807 | 1,756,164 |
| Creditors falling due within one year | (563,073) | - | - | (563,073) |
| Creditors falling due after one year | (80,612) | - | - | (80,612) |
| Defined benefit pension liability | - | (2,506,000) | - | (2,506,000) |
| Total net assets | 590,672 | (2,506,000) | 12,562,838 | 10,647,510 |

19 Pension and similar obligations

The Trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff, and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Northamptonshire County Council. Both are multi-employer defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012, and that of the LGPS related to the period ended 31 March 2016.

Included within creditors are outstanding contributions amounting to £5,792 (2018 - £nil) payable to the schemes at 31 August 2018.

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis - these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014.



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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

19 Pension and similar obligations

(Continued)

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge (currently 14.1%))
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%

The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 September 2019.

The employer's pension costs paid to the TPS in the period amounted to £761,480 (2018 - £431,402).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Trust has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below.

As described in note 24 the LGPS obligation relates to the employees of the Trust, being the employees transferred as part of the conversion from the maintained school and new employees who joined the scheme in the period. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Trust at the balance sheet date.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

| Total contributions made | 2019 £ | 2018 £ |
|--------------------------|-----------|-----------|
| Employer's contributions | 673,000 | 343,000 |
| Employees' contributions | 159,000 | 79,000 |
| Total contributions | 832,000 | 422,000 |



INMAT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

19 Pension and similar obligations (Continued)

| Principal actuarial assumptions | 2019 % | 2018 % |
|--|-----------|-----------|
| Rate of increase in salaries | 2.6 | 2.6 |
| Rate of increase for pensions in payment/inflation | 2.3 | 2.3 |
| Discount rate for scheme liabilities | 1.9 | 2.8 |

The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:

| | 2019 Years | 2018 Years |
|----------------------|---------------|---------------|
| Retiring today | | |
| - Males | 21.1 | 22.1 |
| - Females | 23.3 | 24.2 |
| Retiring in 20 years | | |
| - Males | 22.3 | 23.9 |
| - Females | 24.7 | 26.1 |

| The Trust's share of the assets in the scheme | 2019 Fair value £ | 2018 Fair value £ |
|---|-------------------------|-------------------------|
| Equities | 2,777,040 | 1,431,900 |
| Bonds | 655,690 | 290,250 |
| Cash | 77,140 | 58,050 |
| Property | 347,130 | 154,800 |
| Total market value of assets | 3,857,000 | 1,935,000 |

The actual return on scheme assets was £202,000 (2018: £83,000).

| Amount recognised in the Statement of Financial Activities | 2019 £ | 2018 £ |
|--|-----------|-----------|
| Current service cost | 997,000 | 491,000 |
| Past service cost | 40,000 | - |
| Interest income | (78,000) | (35,000) |
| Interest cost | 176,000 | 83,000 |
| Total operating charge | 1,135,000 | 539,000 |



INMAT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

| 19 Pension and similar obligations | (Continued) | |
|--|----------------|--------------|
| Changes in the present value of defined benefit obligations | 2019 | |
| | £ | |
| At 1 September 2018 | | 4,441,000 |
| Obligations acquired on conversion | | 2,352,000 |
| Current service cost | | 997,000 |
| Interest cost | | 176,000 |
| Employee contributions | | 159,000 |
| Actuarial loss | | 1,605,000 |
| Past service cost | | 40,000 |
| | | <hr/> |
| At 31 August 2019 | | 9,770,000 |
| | | <hr/> <hr/> |
| Changes in the fair value of the Trust's share of scheme assets | 2019 | |
| | £ | |
| At 1 September 2018 | | 1,935,000 |
| Assets acquired on conversion | | 888,000 |
| Interest income | | 78,000 |
| Actuarial gain | | 124,000 |
| Employer contributions | | 673,000 |
| Employee contributions | | 159,000 |
| | | <hr/> |
| At 31 August 2019 | | 3,857,000 |
| | | <hr/> <hr/> |
| 20 Reconciliation of net income to net cash flows from operating activities | | |
| | 2019 | 2018 |
| | £ | £ |
| Net income for the reporting period | 11,503,587 | 6,027,137 |
| Adjusted for: | | |
| Net surplus on conversion to academy | (11,625,253) | (6,172,987) |
| Capital grants from DfE/ESFA and other capital income | (836,202) | (581,014) |
| Investment income receivable | (1,165) | (1,626) |
| Finance costs payable | - | 857 |
| Defined benefit pension costs less contributions payable | 364,000 | 148,000 |
| Defined benefit pension net finance cost | 98,000 | 48,000 |
| Depreciation of tangible fixed assets | 841,769 | 385,215 |
| (Increase)/decrease in debtors | (509,644) | 111,804 |
| Increase in creditors | 854,214 | 33,814 |
| | <hr/> | <hr/> |
| Net cash provided by operating activities | 689,306 | (800) |
| | <hr/> <hr/> | <hr/> <hr/> |



INMAT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

21 Commitments under operating leases

At 31 August 2019 the total of the Trust's future minimum lease payments under non-cancellable operating leases was:

| | 2019 £ | 2018 £ |
|-----------------------------------|----------------|----------------|
| Amounts due within one year | 54,770 | 43,006 |
| Amounts due in two and five years | 148,261 | 116,677 |
| Amounts due after five years | 55,000 | 75,000 |
| | <u>258,031</u> | <u>234,683</u> |

On conversion, the Trust had committed to a 125 year lease of the land it occupies from Northamptonshire County Council for a peppercorn rent.

22 Related party transactions

Owing to the nature of the Academy's operations and the composition of Governors being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which are Governors may have an interest.

Any transactions involving such organisations are conducted at arm's length and in accordance with the Academy's financial regulations and normal procurement procedures.

The Multi Academy Trust is a member of the Inspire Teaching School Alliance (Inspire) whose membership includes local primary and junior schools to provide shared training opportunities. The Multi Academy Trust received £53,999 (2018 - £55,705) from Inspire in respect of recharges of staff costs, network support and room hire. The total charge invoiced from Inspire was £158,999 (2018 - £Nil).

No other related party transactions took place in the period of account other than certain Trustees' remuneration and expenses already disclosed in note 10.

In the opinion of the Governors, there is no ultimate controlling party.

23 Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he or she ceases to be a member.



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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

24 Conversion to an academy

On 1 December 2018 Little Harrowden Primary School and on 1 February 2019 The Abbey Primary School, Kingsley Primary School and Standens Barn Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to InMAT from the Northampton County Council for £nil consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair values and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as a net incoming/resource expended in the statement of financial activities as voluntary income/other resource expended.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the statement of financial activities.

| Net assets transferred: | | | | 2019 |
|--------------------------------|--|--|--|--------------------------|
| | | | | £ |
| Leasehold land and buildings | | | | 12,492,272 |
| Cash | | | | 596,981 |
| LGPS pension surplus/(deficit) | | | | (1,464,000) |
| | | | | <u>11,625,253</u> |
| | | | | <u><u>11,625,253</u></u> |

| Funds surplus/(deficit) transferred: | Unrestricted Funds | Restricted funds: | | Total |
|---|-------------------------------|---------------------------|--------------------------|--------------------------|
| | £ | General | Fixed asset | 2019 |
| | £ | £ | £ | £ |
| Fixed assets funds | - | - | 12,492,272 | 12,492,272 |
| LA budget funds | 596,981 | - | - | 596,981 |
| LGPS pension funds | - | (1,464,000) | - | (1,464,000) |
| | <u>596,981</u> | <u>(1,464,000)</u> | <u>12,492,272</u> | <u>11,625,253</u> |
| | <u><u>596,981</u></u> | <u><u>(1,464,000)</u></u> | <u><u>12,492,272</u></u> | <u><u>11,625,253</u></u> |